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TO RUEHC/SECSTATE WASHDC PRIORITY 7129
INFO RUEHXC/ALL US CONSULATES IN MEXICO COLLECTIVE PRIORITY
RUEHUB/USINT HAVANA PRIORITY 0086

UNCLAS SECTION 01 OF 02 MEXICO 002651

SIPDIS

SENSITIVE SIPDIS

PASS TO WHA/CCA WHA/MEX FOR MATT ROTH

E.O. 12958: N/A

TAGS: ETRD ETTC PREL CU MX

SUBJECT: MEXICO REVIEW FOR SUSPENSION OF TITLE III OF

LIBERTAD ACT

REF: SECSTATE 65523

Summary

11. (U) Post supports continued waiver of Title III provisions of the Libertad Act for Mexico. The Mexican International Development Bank has begun the process of recovering debt from Cuba. There are small exchange programs between the two countries. Mexico continues to promote respect for human rights in Cuba and in the region as President Calderon seeks to strengthen his government's relationship with Cuba. End Summary

Mexican Investment in Cuba

¶2. (SBU) Mexican investment in Cuba is principally geared towards the agricultural and food sectors, the tourism sector, and the construction sector. The Havana branch of the Mexican International Development Bank, BANCOMEXT, has been closed since 2005. The Bank of Cuba and other entities still have approximately 325 million USD in outstanding Mexican debt. In 2006, BANCOMEXT won a settlement of 35 million USD from the Bank of Cuba in Italian Court. BANCOMEXT has expressed an interest in using European courts to settle the debt.

Bilateral Trade Agreements

3.(U) In July 2002 Mexico and Cuba entered into a Complementary Economic Agreement (ACE-51). ACE's are similar to Free Trade Agreements, but only include some sectors. In 2001, Mexico and Cuba signed an Investment Promotion and Protection Agreement (APRI). Both Mexico and Cuba are also members of the Latin American Integration Association (ALADI). No new agreements have been signed in recent years.

Exchange Programs Between Mexico and Cuba

¶4. (SBU) According to Ricardo Dominguez, the Secretariat of Foreign Relations (SRE) Director for Cuban, Haitian and Dominican affairs, the governments of Mexico and Cuba have several student exchange programs at the post-graduate level. Medical travel to Cuba is usually paid for by individual travelers. From time to time, groups of Cuban teachers work on literacy programs in marginalized areas of Mexico.

Promoting Democracy and Human Rights in Cuba

15. (SBU) GOM officials continue to insist that Mexico prefers to use multilateral fora to discuss human rights issues with Cuba (or other countries), rather than engage the GOC one-on-one. The Mexican Embassy in Cuba eschews engaging with Cuban dissidents or human rights which it believes could be construed as interference in Cuba's internal affairs. Nevertheless, we do not expect Calderon's administration to overlook the issue of human rights on the island. Shortly before assuming office, Foreign Secretary Espinosa acknowledged that Cuba suffered from "a difficult human rights situation, that there are problems that should be addressed, which explains why this subject is brought before international fora."

## Diplomatic Visits

- 16. (SBU) Since the August 10, 2005, appointment of Jose Ignacio Pina Rojas as Mexico's Ambassador to Cuba, Mexico has had an Ambassador resident in Havana. There have been no ministerial level visits to Cuba in the past six months. According to Ricardo Dominguez, the Secretariat of Foreign Relations (SRE) Director for Cuban, Haitian and Dominican affairs, and SRE Under-Secretary for Environmental Affairs traveled to Cuba for meetings in January.
- $\P$ 7. (SBU) President Felipe Calderon has said that he will seek a more constructive and less confrontational relationship with Cuba than prevailed under the Fox administration a sentiment echoed by Foreign Secretary Espinosa in recent months.

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